BEGIN — OCTOBER 28, 1959

30.24- ~~9088~~ 9083

A73 (360)

NIGHT LEAD INDIAN

BY WATSON SIMS

NEW DELHI, INDIA, OCT.28 (AP)-PRIME MINISTER NEHRU TODAY REVIEWED THE CHINA BORDER SITUATION AT A CONFERENCE OF GOVERNORS FROM INDIA'S 14 STATES.

IN THE MOST VIGOROUS OUTPOURING OF CRITICISM SINCE INDEPENDENCE, NEWSPAPERS WERE VIRTUALLY UNANIMOUS IN DEMANDING A STATEMENT ON WHAT IS BEING DONE ABOUT THE LATEST INCIDENT, IN WHICH 9 OR 10 INDIAN POLICEMEN WERE KILLED IN THE LADAKH ARGA OF KASHMIR A WEEK AGO.

"INACTION NOW CAN MAKE WAR INEVITABLE," THE EDITOR OF THE NEW DELHI HINDUSTAN TIMES WROTE. THE ARTICLE DECLARED THAT A LIMITED REPRISAL AGAINST THE COMMUNIST CHINESE IS "IMPERATIVE FOR THE SAKE OF OUR SELF RESPECT AND THE LARGER INTERESTS OF PEACE."

THE INDIAN EXPRESS, PUBLISHED IN THREE MAJOR CITIES, CALLED ON THE GOVERNMENT TO DROP ITS POLICY OF NONALIGNMENT AND "LOOK AROUND FOR ALLIES WITH COMMON DEFENSE POLICIES AND PROBLEMS." THE PAPER ADVOCATED A JOINT DEFENSE AGREEMENT WITH PAKISTAN.

THE TIMES OF INDIA DECLARED: "IT MIGHT BE NECESSARY -- HOWEVER DEPLORABLE -- TO CONSIDER THE POSSIBILITY OF SEVERING DIPLOMATIC RELATIONS WITH COMMUNIST CHINA IF PEIPING PERSISTS IN DELIBERATE ACTS OF PROVOCATION AND INSULT AGAINST THIS COUNTRY."

THE STATESMAN SAID LATEST REPORTS SUGGEST A CONSIDERABLE INTENSIFICATION OF CHINESE ACTIVITIES ALONG INDIA'S NORTHEAST FRONTIER AGENCY BORDER, 1,000 MILES EAST OF LADAKH. THE CHINESE SEIZED SEVERAL INDIAN BORDER POSTS IN THAT AREA LAST SUMMER.

OFFICIALS SAID STEPS ARE BEING TAKEN TO REINFORCE BORDER POSTS BOTH IN LADAKH AND THE NORTHEAST FRONTIER AREA.

A WIDE REVIEW OF THE ENTIRE BORDER SITUATION WAS EXPECTED TODAY AT A CONFERENCE OF THE GOVERNORS OF INDIA'S 14 STATES. NEHRU AND THE CHIEF OF STAFF, LT. GEN. K.S.THIMAYYA, WILL BE AMONG THE SPEAKERS DURING CLOSED SESSIONS.

A91

THE GOVERNOR'S CONFERENCE OPENED YESTERDAY WITH A SPEECH BY PRESIDENT RAJENDRA PRASAD WHO REPORTEDLY TOLD THE CONFERENCE YESTERDAY THAT THE GOVERNMENT FULLY SHARES THE DISAPPOINTMENT AND DISMAY OF THE PEOPLE OVER THE MANNER IN WHICH COMMUNIST CHINA IS BEHAVING. THE HINDUSTAN TIMES SAID HE EMPHASIZED THAT THE POLICY TOWARDS CHINA WOULD HAVE TO BE REVISED.

THE OUTPOURING OF EDITORIAL COMMENT INCLUDED SOME OF THE STIFFEST PERSONAL CRITICISM OF NEHRU IN RECENT TIMES.

THE INDUSTAN TIMES, ONCE CONSIDERED CLOSE TO NEHRU'S CONGRESS PARTY, SAID THE MANNER IN WHICH THE PRIME MINISTER HAD REACTED SO FAR TO THE LADAKH INCIDENT "MUST STRENGTHEN THE CASE OF THOSE WHO ARE PUTTING HIM DOWN AS AN APPEASER." IT SAID HIS STATEMENTS SO FAR WERE LIKELY TO BE TAKEN BY MAO TZE-TUNG "AS AN INVITATION TO HELP HIMSELF TO MORE AND MORE OF OUR TERRITORY."

THE TIMES OF INDIA ACCUSED NEHRU OF ATTACHING "SINGULAR UNIMPORTANCE" TO THE DEFENSE OF LADAKH IN THE PAST. IT SAID THAT THE LATEST INCIDENT IS "ANOTHER EXAMPLE OF HIS COMPLETE MISCALCULATION OF A NEW SITUATION--A DIRECT PRODUCT OF A ONE-MAN FOREIGN POLICY."

THE ARMY CHIEF OF STAFF, LT. GEN. K.S. THIMAYYA, PARTICIPATED IN THE CLOSED-DOOR DISCUSSIONS OF CHINESE ACTIONS IN INDIA.S NORTHERN AND NORTHEASTERN FRONTIER AREAS.

THE MEETING APPEARED DESIGNED TO OBTAIN THE GOVERNORS' SUPPORT FOR NEHRU'S POLICY TOWARD PEIPING. IT BEGAN YESTERDAY WITH AN ADDRESS BY PRESIDENT RAJENDRA PRASAD WHO REPORTEDLY SAID THE GOVERNMENT'S POLICY TOWARD RED CHINA MUST BE REVISED.

A FLOOD OF CRITICISM, MUCH OF IT DIRECTED AGAINST NEHRU, BEGAN LAST WEEK WHEN CHINESE TROOPS KILLED 9 OR 10 INDIAN POLICEMEN IN THE LADAKH AREA OF KASHMIR. IT MOUNTED WITH REPORTS THE CHINESE WERE INTENSIFYING THEIR ACTIVITIES ALONG INDIA'S NORTHEAST FRONTIER AGENCY BORDER, 1,000 MILES EAST OF LADAKH, WHERE THE CHINESE SEIZED SEVERAL INDIAN BORDER POSTS LAST SUMMER.

NEHRU, HIS CABINET, AND MILITARY CHIEFS HAVE STUDIED THE SITUATION FOR THE PAST WEEK. OFFICIALS SAID BORDER POSTS IN LADAKH AND THE NORTHEAST FRONTIER AREA WILL BE STRENGTHENED.

THE INDIAN EXPRESS SAID A NOTE TO BE SENT TO PEIPING WILL ACCUSE THE COMMUNISTS OF AGGRESSION AND DEMAND THAT THEIR TROOPS WITHDRAW FROM LADAKH. THE CHINESE REJECTED EARLIER PROTESTS, STATING THE INDIANS HAD TRESPASSED ON CHINESE SOIL IN THE LADAKH AREA AND ATTACKED CHINESE TROOPS.

THE EXPRESS DEMANDED THAT THE GOVERNMENT ABANDON ITS NEUTRAL POSITION AND "LOOK AROUND FOR ALLIES WITH COMMON DEFENSE POLICIES AND PROBLEMS."

THE HINDUSTAN TIMES COMMENTED THAT NEHRU'S REACTION TO THE LADAKH INCIDENT "MUST STRENGTHEN THE CASE OF THOSE WHO ARE PUTTING HIM DOWN AS AN APPEASER."

IT ADDED THAT LIMITED REPRISALS AGAINST RED CHINA WERE "IMPERATIVE FOR THE SAKE OF OUR SELF RESPECT AND THE LARGER INTERESTS OF PEACE."

THE TIMES OF INDIA SAID THE LADAKH CLASH WAS "ANOTHER EXAMPLE OF HIS (NEHRU'S) COMPLETE MISCALCULATION OF A NEW SITUATION--A DIRECT PRODUCT OF A ONE-MAN FOREIGN POLICY." IT SUGGESTED THE POSSIBILITY OF SEVERING DIPLOMATIC RELATIONS WITH COMMUNIST CHINA.

IN CALCUTTA, 300 MEMBERS OF THE SPLINTER REVOLUTIONARY COMMUNIST PARTY DEMONSTRATED BEFORE THE RED CHINESE CONSULATE BUILDING AGAINST CHINESE ACTION IN TIBET AND ON THE INDIAN FRONTIER.

QR723PES

A36 (120)

NEW DELHI, INDIA, OCT.28 (AP)-A COMMUNIST MEMBER OF THE DELHI MUNICIPAL CORPORATION RESIGNED FROM THE PARTY TODAY WITH A BLAST AGAINST RED CHINA AND THE LEADERSHIP OF HIS OWN PARTY.

"THE STAND TAKEN BY THE COMMUNIST PARTY OF INDIA REGARDING CHINESE AGGRESSION ON INDIA CLEARLY INDICATE THE COMMUNIST PARTY OWES EXTRA-TERRITORIAL LOYALTIES IN PREFERENCE TO NATIONAL INTERESTS,"ALDERMN DHANI RAM SAID IN A STATEMENT.

"IT IS IMPOSSIBLE FOR A TRUE INDIAN TO KEEP ANY RELATION WITH THE COMMUNIST PARTY AND THEREFORE I RESIGN...."

THE INDIAN COMMUNISTS ARE BADLY SPLIT OVER REPEATED RED CHINESE CLASHES WITH INDIAN FORCES ALONG THE DISPUTED BORDER OF TIBET. PARTY MEMBERSHIP, WHICH STOOD AT 218,000 A YEAR AGO, HAS BEEN DECLINING RAPIDLY.

PS500PES

A153
(110)
VIENTIANE, LAOS, OCT.28 (AP)-SUPPORTERS OF THE PRO-COMMUNIST PATHET LAO REBEL MOVEMENT SENT A LETTER TO U.S. AMBASSADOR HORACE H. SMITH TODAY WARNING "WATCH OUT FOR YOURSELVES, YANKEES."

THE LETTER, DELIVERED BY REGULAR POST TO THE EMBASSY AND SIGNED "THE LAO PEOPLE," VIOLENTLY PROTESTED THE TREASON TRIAL OF PRINCE SOUPHANOUVONG. HE AND 13 OTHERS GO ON TRIAL MONDAY FOR ALLEGED COMPLICITY IN THE PATHET LAO REBELLION.

THE LETTER CHARGED "YOU ARE ABOUT TO CAUSE YOUR LACKEYS TO COMMIT THE MOST ABJECT CRIME EVER IN OUR NATIONAL HISTORY."

AMERICAN RESIDENTS TWO MONTHS AGO RECEIVED QUIET WARNINGS FROM THE EMBASSY TO GUARD AGAINST POSSIBLE ANTI-AMERICAN VIOLENCE.
Ls112PES

A139WX
VIET NAM (350)
WASHINGTON, OCT. 28 (AP)-THE JUSTICE DEPARTMENT IS TRYING TO DETERMINE WHETHER LAW VIOLATIONS WERE INVOLVED IN AN EFFORT TO BUY $1,600,000 IN RADIO EQUIPMENT FOR THE VIET NAM GOVERNMENT WITH U. S. AID FUNDS.

THE INTERNATIONAL COOPERATION ADMINISTRATION, THE GOVERNMENT'S FOREIGN AID AGENCY, SAID TODAY IT HAS TURNED OVER TO THE DEPARTMENT THE RESULTS OF A LENGTHY INVESTIGATION ICA MADE INTO THE MATTER.

ICA ACTED TO HALT THE SALE LAST JULY AFTER A DANISH FIRM COMPLAINED THAT IT HAD BEEN FROZEN OUT OF BIDDING FOR THE CONTRACT.

THE JUSTICE DEPARTMENT WILL SEEK TO DECIDE WHETHER AN AMERICAN, EMPLOYED BY MICHIGAN STATE UNIVERSITY, WAS INVOLVED IN ANY ILLEGAL ACTION IN THE CASE.

THE AMERICAN WAS A TECHNICIAN ON A PUBLIC SAFETY ADMINISTRATION PROGRAM OPERATED BY MICHIGAN STATE IN VIET NAM. THIS ORGANIZATION, UNDER CONTRACT WITH ICA, WAS IN CHARGE OF TRAINING THE VIET NAM POLICE.

ICA'S INVESTIGATION, STARTED SIX DAYS BEFORE BIDS WERE CLOSED, SOUGHT TO DETERMINE WHETHER THIS TECHNICIAN WROTE SPECIFICATIONS FOR THE RADIO EQUIPMENT IN SUCH A WAY THAT THEY COULD BE MET BY ONLY ONE AMERICAN COMPANY. THIS TECHNICIAN FORMERLY WORKED FOR THIS FIRM.

AN ICA SPOKESMAN SAID BOTH THE FOREIGN AID AGENCY AND A PRIVATE CONSULTING ENGINEER FIRM DECIDED THE SPECIFICATIONS WERE WRITTEN SO AS TO FAVOR THE COMPANY. THE JUSTICE DEPARTMENT HAS NOW BEEN ASKED TO DECIDE WHETHER ANYTHING OTHER THAN FAVORITISM WAS INVOLVED.

THE TECHNICIAN HAS RETURNED TO THE UNITED STATES AND LEFT HIS POST WITH THE MICHIGAN STATE UNIVERSITY GROUP.

SEN. MIKE MANSFIELD (D-MONT), MEANWHILE ANNOUNCED THAT A SENATE FOREIGN RELATIONS SUBCOMMITTEE WILL MAKE AN ON-THE-SPOT INVESTIGATION INTO CHARGES OF SCANDALS IN U. S. AID IN VIET NAM.

MANSFIELD, THE SUBCOMMITTEE CHAIRMAN, ASSIGNED SENS. ALBERT GORE (D-TENN) AND BOURKE HICKENLOOPER (R-IOWA) TO MAKE THE INQUIRY AT SAIGON NEXT MONTH.

THE INVESTIGATION GREW OUT OF CHARGES BY SCRIPPS-HOWARD REPORTER ALBERT COLEGROVE THAT ADMINISTRATION OF THE VIET NAM PROGRAM ADDED UP TO "AN OUTRAGEOUS CANDAL."

MANSFIELD ANNOUNCED THE SENATE INQUIRY AS A FOLLOWUP TO HIS DEMAND THAT THE INTERNATIONAL COOPERATION ADMINISTRATION GIVE TO THE SUBCOMMITTEE ICA'S OWN CONFIDENTIAL REPORT ON VIET NAM.
EG1128PES

A38
TAIPEI, FORMOSA, OCT. 28 (AP)-THE CHINESE COMMUNISTS FIRED 227 ROUNDS AT THE QUEMOY ISLANDS LAST NIGHT. THEN THE GUNS LAPSED INTO SILENCE FOR THE CEASE-FIRE THE REDS OBSERVE ON EVEN-NUMBERED DAYS OF THE MONTH.

THE VOLUME OF FIRE WAS THE SECOND HIGHEST OF THE MONTH. ON OCT. 9 THE COMMUNISTS HIT THE ISLANDS 235 TIMES.
JG438AES

B45 (Q) (140)
LONDON, OCT. 28 (AP)-GEORGI A. ZUKOV, DIRECTOR OF SOVIET CULTURAL RELATIONS WITH FOREIGN COUNTRIES, HAS ACCUSED THE WEST AND PARTICULARLY THE UNITED STATES OF TRYING TO USE CULTURAL EXCHANGE PROGRAMS TO "FOIST AN ALIEN IDEOLOGY" ON OTHER COUNTRIES.

"WE ARE FOR DEVELOPING CULTURAL EXCHANGES, FOR HAVING THE PEOPLE GET TO KNOW EACH OTHER BETTER," ZHUKOV WROTE IN THE LATEST ISSUE OF THE SOVIET MAGAZINE INTERNATIONAL AFFAIRS. "BUT WE ARE AGAINST CULTURAL EXCHANGES BEING EXPLOITED FOR SUBVERSION AND FOR INTERFERENCE IN THE AFFAIRS OF OTHER STATES."

A DIGEST OF THE ARTICLE CIRCULATED BY TASS, THE OFFICIAL SOVIET NEWS AGENCY, GAVE NO SPECIFIC EXAMPLES, HOWEVER.

ELSEWHERE IN THE ARTICLE ZHUKOV SAID CULTURAL EXCHANGES BETWEEN THE UNITED STATES AND THE SOVIET UNION ARE DEVELOPING IN A SATISFACTORY WAY AND ARE HELPING TO IMPROVE THE GENERAL CLIMATE OF RELATIONS BETWEEN THE TWO COUNTRIES.

HW1016AES

A92
(240)
~~NIGH LEAD DE GAULLE MEMOIRS~~
BY DAVID MASON

PARIS, OCT. 28 (AP)-STALIN STAGED A RAUCOUS TOAST-DRINKING BOUT IN AN EFFORT TO FORCE FRENCH RECOGNITION OF A RED-BACKED PROVISIONAL GOVERNMENT FOR POLAND, GEN. DE GAULLE WRITES IN THE LATEST VOLUME OF HIS MEMOIRS.

THE INCIDENT TOOK PLACE IN DECEMBER, 1944, WHEN DE GAULLE WAS IN MOSCOW TO NEGOTIATE A MUTUAL ASSISTANCE TREATY WITH STALIN.

DE GAULLE WAS HOLDING OUT AGAINST RECOGNIZING THE LUBLIN COMMITTEE, WHICH STALIN HAD PICKED TO TAKE OVER POLAND AFTER THE WAR. DE GAULLE INSTEAD FAVORED A LONDON-BASED GROUP OF POLISH EXILE LEADERS.

AFTER A DAY OF DIPLOMATIC FENCING, DE GAULLE WROTE, THE FRENCH DELEGATION WAS INVITED TO DINNER IN A GRAND SALON OF THE KREMLIN.

"THE TABLE SPARKLED WITH UN-IMAGINABLE LUXURY," HE SAID. "A STUPIFYING MEAL WAS SERVED...THE HOUR OF TOASTS ARRIVED. THIRTY TIMES STALIN GOT UP TO DRINK TO THE HEALTH OF THE RUSSIANS PRESENT... "STALIN MIXED THREATS WITH EULOGY.

"THIS TRAGIC-COMIC SCENE COULD HAVE HAD ONLY ONE PURPOSE--TO IMPRESS THE FRENCH IN DISPLAYING SOVIET POWER AND THE DOMINATION OF THE MAN WHO USED IT.

"BUT," ADDED DE GAULLE, "FOR HAVING SEEN THIS DISPLAY I WAS LESS INCLINED THAN EVER TO HELP WITH THE SACRIFICE OF POLAND."

IN THE END, THE TREATY WAS SIGNED WITHOUT FRENCH RECOGNITION OF THE STALIN-BACKED POLISH COMMITTEE.

[illegible] OCT. 28 (AP)-GEN. CHARLES DE GAULLE ORDERED HIS FREE FRENCH FORCES IN WORLD WAR II TO GO AGAINST THE WISHES OF THE SUPREME ALLIED COMMANDER, GEN. DWIGHT D. EISENHOWER, AND QUICKLY OCCUPY A SUBSTANTIAL SECTION OF GERMANY.

DE GAULLE SAID IN THE THIRD AND FINAL VOLUME OF HIS MEMOIRS THAT OTHERWISE FRANCE WOULD BE LEFT WITH "ONLY A FEW SHREDS" OF GERMAN TERRITORY.

DE GAULLE SAID HE WROTE TO GEN. JEAN DE LATTRE DE TASSIGNY ON MARCH 29, 1945:

"YOU MUST CROSS THE RHINE, EVEN IF THE AMERICANS WON'T HELP YOU AND YOU MUST USE BARGES. KARLSRUHE AND STUTTGART ARE AWAITING YOU, EVEN IF THEY DON'T WANT YOU....."

AMERICAN FORCES HAD CROSSED THE RHINE ON MARCH 7.

BEGINNING APRIL 4, SOME 130,000 FRENCH TROOPS WITH 20,000 VEHICLES STARTED ACROSS THE RHINE. ON THE SAME DAY KARLSRUHE WAS TAKEN AND ON

APRIL 20 STUTTGART.

DE GAULLE WROTE: "IN THE THINKING OF THE ALLIED COMMAND, SEEMINGLY ORIENTED BY WASHINGTON, IT WAS AMERICAN FORCES WHICH SHOULD TAKE OVER PRACTICALLY ALL OF THE ACTION IN THIS LAST PHASE OF THE FIGHT.... THEY WANTED TO LET THE BRITISH TAKE OVER THE NORTH SEA COAST.

"AS FOR THE FRENCH, THEY FIRST TRIED TO FIX THEM ON THE WEST BANK OF THE RHINE. BUT SINCE THEY FOUND THE MEANS TO CROSS THE RIVER, THEY THEN TRIED TO HOLD THEM UP AS MUCH AS POSSIBLE."

DE GAULLE DESCRIBED A SQUABBLE WITH THE BRITISH AND AMERICANS OVER FRANCE'S ALPINE FRONTIER. HE SAID THAT FOR A LONG WHILE HE HAD INTENDED TO REDRAW THE FRONTIER TO INCLUDE SOME ITALIAN ENCLAVES AS WELL AS THE ~~SWISS~~ CANTONS OF TENDE AND LA BRIGUE. THIS, DE GAULLE SAID, RAN AGAINST THE DESIRES OF PRESIDENT HARRY TRUMAN. ITALIAN

"BUT I ALSO SAW THE EFFECT OF BRITISH INFLUENCE IN THIS MATTER," DE GAULLE WROTE, EXPLAINING THAT THROUGH "SECRET OBSERVERS" HE WAS ABLE TO OBTAIN A COPY OF A TELEGRAM PRIME MINISTER WINSTON CHURCHILL SENT TO TRUMAN ON THE SUBJECT OF FRENCH CLAIMS IN THE FRONTIER AREA.

"MR. CHURCHILL CALLED ME AN 'ENEMY OF THE ALLIES,'" DE GAULLE WROTE, "AND PRESSED MR. TRUMAN NOT TO GIVE WAY TO ME."

LATER, DE GAULLE SAID, HE RECEIVED A PERSONAL MESSAGE FROM TRUMAN ASKING HIM TO ORDER THE EVACUATION OF FRENCH TROOPS IN THE DISPUTED AREA "UNTIL A SETTLEMENT COULD BE MADE NORMALLY AND RATIONALLY."

FINALLY, DE GAULLE SAID, ITALIAN FOREIGN MINISTER ALCIDE DE GASPERI CAME TO PARIS TO SEE ABOUT THE FRENCH CLAIMS IN THE FRONTIER AREA.

"I TOLD HIM," DE GAULLE WROTE, "THAT WE ONLY WANTED LEGAL RECOGNITION OF WHAT ALREADY WAS A FACT."

AFTER EXPRESSING SOME CONCERN, "GASPERI AGREED THAT THE TREATY OF PEACE COULD CONTAIN SUCH CLAUSES AND THAT ITALY WOULD GO ALONG WITHOUT CREATING DIFFICULTIES," DE GAULLE WROTE.

"THIS IS WHAT HAPPENED."

DE GAULLE SAID HE WAS "MOVED TO THE BOTTOM OF MY SOUL" WHEN THE AMERICANS DROPPED THE FIRST ATOMIC BOMBS ON HIROSHIMA AND NAGASAKI.

"DOUBTLESS I HAD BEEN ADVISED FOR A LONG TIME THAT THE AMERICANS WERE ON THE WAY TO REALIZING IRRESISTIBLE EXPLOSIVES BY SPLITTING THE ATOM," HE WROTE.

"BUT, WHILE NOT SURPRISED, I DID NOT FEEL THE LESS TEMPTED TO DESPAIR IN SEEING APPEAR THE MEANS WHICH WILL ALLOW, PERHAPS, MEN TO DESTROY THE HUMAN RACE."

THE THIRD AND LATEST VOLUME OF DE GAULLE'S MEMOIRS, PUBLISHED TODAY, COVERS THE PERIOD 1944-1946. IT IS CALLED "LE SALUT" (THE SALVATION).

TD840PES

S66 (120

BERLIN, OCT. 28 (AP)-GENERALS COMMANDING U.S., BRITISH AND FRENCH FORCES IN DIVIDED BERLIN MET TODAY WITH WEST BERLIN MAYOR WILLY BRANDT.

INFORMED SOURCES SAID THEY HAD DISCUSSED WHAT TO DO IF EAST GERMAN FLAGS ARE RAISED ON WEST BERLIN ELEVATED RAILWAY STATIONS NOV. 7--THE 42ND ANNIVERSARY OF RUSSIA'S BOLSHEVIK REVOLUTION AND A HOLIDAY IN THE COMMUNIST BLOC. (S66)

30.24- ~~9083~~ 9085

INFORMANTS SAID THE GENERALS WANT TO PREVENT ANY INCIDENTS BUT WANT THE COMMUNIST TO KNOW THEY ARE DETERMINED TO SUPPORT WEST BERLIN POLICE IN PULLING DOWN THE FLAGS IF NECESSARY.

EARLIER THIS MONTH THE COMMUNISTS HOISTED THEIR NEW FLAG ON WEST BERLIN'S ELEVATED STATIONS.

WEST BERLIN POLICE TRYING TO TEAR THE FLAGS DOWN CLASHED WITH COMMUNIST RAILWAY WORKERS.

IT IS ALMOST CERTAIN THE EAST GERMANS WILL RAISE THEIR FLAGS AGAIN ON WEST BERLIN'S ELEVATED STATIONS NOV. 7.

TA742PED

BONN, GERMANY, OCT. 28 (AP)-WEST GERMAN POLICE WILL INTERVENE AGAINST ANY FUTURE DISPLAY OF THE NEW SOVIET-TYPE EAST GERMAN FLAG, A BONN GOVERNMENT SPOKESMAN SAID TODAY. (S77)

THE SPOKESMAN SAID POLICE IN THE 10 WEST GERMAN STATES WILL RECEIVE A DIRECTIVE SHORTLY AUTHORIZING THEM TO TAKE ACTION AGAINST THE HAMMER AND COMPASS FLAG AS A THREAT TO PUBLIC ORDER.

HE SAID THE GOVERNMENT FELT A POLICE DIRECTIVE WOULD BE MORE APPROPRIATE AND MORE FLEXIBLE THAN A SPECIAL LAW.

SHOWING OF THE FLAG IN WEST BERLIN EARLIER THIS MONTH CAUSED BLOODY FIGHTING BETWEEN WEST BERLIN POLICE AND COMMUNIST EAST GERMAN RAILWAY WORKERS.

WL10SPES

A68

SECOND NIGHT LEAD DISARMAMENT

BY MILTON BESSER

UNITED NATIONSN N.Y., OCT. 28 (AP)-THE UNITED STATES AND RUSSIA TODAY URGED THE UNITED NATIONS TO GIVE UNANIMOUS SUPPORT TO A RESOLUTION CALLING FOR NEW EFFORTS TO BREAK THE DISARMAMENT DEADLOCK. THE APPEAL WAS AN IMMEDIATE SUCCESS.

SPURRED BY THE RARE DISPLAY OF EAST-WEST COOPERATION, EVERY ONE OF THE U.N.'S 82 MEMBERS SIGNED UP WITHIN HOURS AS COSPONSORS OF THE RESOLUTION. THIS ASSURED IT UNANIMOUS PASSAGE AND WILL PUT THE U.N. ON RECORD AS URGING COMPLETE AND GENERAL DISARMAMENT UNDER EFFECTIVE CONTROLS.

THE RESOLUTION PRESENTED TO THE U.N. POLITICAL COMMITTEE PROVIDES FOR TURNING OVER ALL DISARMAMENT PROPOSALS MADE HERE TO THE 10-NATION EAST-WEST COMMITTEE THAT WILL MEET IN GENEVA EARLY NEXT YEAR.

VASILY V. KUZNETSOV, SOVIET DEPUTY FOREIGN MINISTER, MADE PLAIN THAT THE SOVIET UNION WOULD HAVE PREFERRED A RESOLUTION "MORE FORTHRIGHT" IN SUPPORTING PREMIER KHRUSHCHEV'S PLANF RO COMPLETE DISARMAMENT IN FOUR YEARS. BUT HE SAID THAT IN A SPIRIT OF COMPROMISE THE SOVIET UNION ACCEPTED CHANGES IN ORDER TO MEET THE VIEWS OF OTHER DELEGATIONS.

KUZNETSOV EMPHASIZED THAT IT WAS THE SOVIET UNION WHICH MADE THE FIRST APPROACH 2 1/2 WEEKS AGO TO THE UNITED STATES ON A DISARMAMENT RESOLUTION.

ADOPTION OF THE RESOLUTION, HE SAID, WOULD BE "AN IMPORTANT STEP ON THE ROAD TOWARD THE REALIZATION OF THE ARDENT DREAM OF MANKIND TO BE FREED FROM THE FEAR AND SCOURGE OF WAR."

U.S. AMBASSADOR HENRY CABOT LODGE DECLARED THE REAL GOAL REMAINED "DISARMAMENT RIGHT ACROSS THE BOARD, INVOLVING ALL TYPES OF WEAPONS, COVERING EVERY MEANS OF WARFARE."

HE PLEDGED THAT THE UNITED STATES WILL ENTER INTO THE NEW DISARMAMENT NEGOTIATIONS DETERMINED TO MAKE PROGRESS.

LODGE SAID THE UNITED STATES JOINED IN CO-SPONSORING THE RESOLUTION IN THE SPIRIT OF THE CAMP DAVID COMMUNIQUE ISSUED AFTER THE TALKS BETWEEN PRESIDENT EISENHOWER AND KHRUSHCHEV. THEY AGREED THAT GENERAL DISARMAMENT WAS THE MOST IMPORTANT ONE FACING THE WORLD TODAY.

K527PES

A22

(430)
PMS BUDGET
DISARMAMENT
BY TOM HOGE

UNITED NATIONS, OCT. 28 (AP)-U.N. DIPLOMATS ANTICIPATE THE EAST-WEST DISARMAMENT TALKS EARLY NEXT YEAR WILL AT LEAST START HARMONIOUSLY FOLLOWING AGREEMENT LAST NIGHT BY THE UNITED STATES AND RUSSIA ON A NONCOMMITTAL DISARMAMENT RESOLUTION FOR THE GENERAL ASSEMBLY.

AFTER A WEEK OF CONCENTRATED BARGAINING, THE TWO BIG POWERS AGREED TO JOIN IN SPONSORING A RESOLUTIMN REFERRING ALL DISARMAMENT PROPOSALS TO THE NEW 10-NATION COMMITTEE THAT WILL BEGIN NEGOTIATIONS IN GENEVA IN FEBRUARYJM

THE RESOLUTION ENDORSES NO SPECIFIC PLAN, A VICTORY FOR THE AMERICANS. ORIGINALLY THE RUSSIANS HAD DEMANDED THAT IT GIVE SPECIFIC APPROVABPTO SOVIET PREMIER NIKITA KHRUSHCHEV'S PROPOSAL FOR COMPLETE DISARMAMENT OVER A FOUR-YEAR PERIOZ.

THE RESOLUTION IS SIMILAR TO ONE RUSSIA AND THE WESTERN POWERS SPONSORED TOGETHER IN JANUARY 1957. THAT ONE REFERRED ALL THEN-PENDING DISARMAMENT PROPOSALS TO A FIVE-NATION SUBCOMMITTEE. NOTHING CAME OF THE GROUP'S NEGOTIATIONS, AND RUSSIA ULTIMATELY BOYCOTTED IT BECAUSE SHE WAS OUTVOTED BY THE WESTERN MEMBERS. AFTER THREE YEARS, THE COMMUNISTS NOW WILL GET PARITY IN NUMBERS ON THE NEW COMMITTEE.

THE NEW RESOLUTION WILL BE SUBMITTED TO THE ASSEMBLY POLITICAL COMMITTEE AND THEN TO THE ASSEMBLY ITSELF. SPEEDY APPROVAL IS EXPECTED SO THE ASSEMBLY CAN FINISH WITH DISARMAMENT FOR THIS SESSION AND TURN ITS ATTENTION TO OTHER ISSUES.

IN ITS FINAL FORM, THE RESOLUTION STRESSES THE NEED FOR COMPLETE AND GENERAL DISARMAMENT UNDER EFFECTIVE INTERNATIONAL CONTROL AND CALLS THE QUESTION "THE MOST IMPORTANT ONE FACING THE WORLD TODAY."

THIS IN EFFECT REPEATS THE CAMP DAVID COMMUNIQUE BY PRESIDENT EISENHOWER AND KHRUSHCHEV AT THE WINDUP OF THEIR TALKS LAST MONTH.

MAIN POINTS IN THE OPERATIVE PART OF THE RESOLUTION INCLUDE:

1. A CALL ON GOVERNMENTS TO MAKE EVERY EFFORT TO ACHIEVE A CONSTRUCTIVE SOLUTION OF THE ARMS ISSUE.

2. A REQUEST THAT SECRETARY GENERAL DAG HAMMARSKJOLD FURNISH THE GENEVA PARLEY THE ARMS PLANS PUT BEFORE THE ASSEMBLY BY BRITISH FOREIGN SECRETARY SELWYN LLOYD AND KHRUSHCHEV AS WELL AS OTHER PROPOSALS AND SUGGESTIONS THAT HAVE BEEN MADE IN THE CURRENT U.N. DISARMAMENT DEBATE.

3. AN EXPRESSION OF HOPE THAT MEASURES "LEADING TOWARD THE GOAL OF GENERAL AND COMPLETE DISARMAMENT UNDER EFFECTIVE INTERNATIONAL CONTROL WILL BE WORKED OUT IN DETAIL AND AGREED UPON IN THE SHORTEST POSSIBLE TIME."

DESPITE SOVIET-AMERICAN AGREEMENT ON THE RESOLUTION, DEBATE IN THE POLITICAL COMMITTEE YESTERDAY UNDERLINED THAT THE WEST AND RUSSIA ARE STILL FAR FROM AGREEMENT ON THE KEY ISSUE OF CONTROL MACHINERY TO INSURE COMPLIANCE WITH DISARMAMENT.

SOVIET DEPUTY FOREIGN MINISTER VASILY D. KUZNETSOV SAID THE SCOPE OF CONTROL AT EACH STAGE OF DISARMAMENT SHOULD CORRESPOND WITH THE SCOPE AND NATURE OF THE DISARMAMENT MEASURE BEING CARRIED.

U.S. AMBASSADOR HENRY CABOT LODGE REPLIED THAT "IT IS THE SPECIFIC ELEMENT OF INSPECTION AND THE SPECIFIC ELEMENT OF CONTROL THAT ARE CRUCIAL, NOT STATEMENTS OF GENERAL POLICY."

DB320AES

A84

UNITED NATIONS, N.Y., OCT. 28 (AP)-IRELAND SUBMITTED A RESOLUTION TONIGHT SEEKING INTERNATIONAL AGREEMENT TO PREVENT THE SPREAD OF NUCLEAR WEAPONS BEYOND THE PRESENT ATOMIC POWERS.

THE RESOLUTION WOULD HAVE THE GENERAL ASSEMBLY TURN THE MATTER OVER TO THE NEW 10-NATION DISARMAMENT COMMITTEE MEETING IN GENEVA NEXT FEBRUARY.

ONLY BRITAIN, THE SOVIET UNION AND THE UNITED STATES NOW PRODUCE NUCLEAR WEAPONS. FRANCE IS PLANNING TO TEST ONE IN THE SAHARA EARLY NEXT YEAR AND IRISH FOREIGN SECRETARY FRANK AIKEN HAS SAID HE THUS CONSIDERS FRANCE A MEMBER OF THE SO-CALLED NUCLEAR CLUB.

TD807PES

A59WX

(160) MISSILE COMMANDER

WASHINGTON, OCT. 28 (AP)-MAJ. GEN. AUGUST SCHOMBURG HAS BEEN NAMED TO SUCCEED MAJ. GEN. JOHN B. MEDARIS AS HEAD OF THE ARMY'S MISSILE COMMAND.

MEDARIS IS RETIRING JAN. 31 AS CHIEF OF THE ARMY ROCKET TEAM AT HUNTSVILLE, ALA. WITH DR. WERNHER VON BRAUN HEADING ITS SCIENTIFIC GROUP, THIS TEAM WAS RESPONSIBLE FOR LAUNCHING THE UNITED STATES' FIRST EARTH SATELLITE, ITS FIRST SOLAR SATELLITE, AND DEVELOPING THE 1,500-MILE RANGE JUPITER BALLISTIC MISSILE.

SCHOMBURG, 51, WAS NAMED TO THE POST YESTERDAY. HE IS NOW DEPUTY CHIEF OF ORDNANCE FOR THE DEPARTMENT OF THE ARMY. PREVIOUSLY HE WAS ASSISTANT CHIEF FOR RESEARCH AND DEVELOPMENT.

MEDARIS HAS DENIED HIS RESIGNATION WAS PROMPTED BY DISSATISFACTION OVER THE WAY THE ARMY HAS HANDLED ROCKET DEVELOPMENT AT HUNTSVILLE, PARTICULARLY THE HUGE SATURN PROGRAM.

BUT MEDARIS' ACTION FORCED AN ADMINISTRATION REVIEW OF THE PROBLEM. AS A RESULT SATURN, A SPACE ROCKET THAT WILL DEVELOP 1 1/2 MILLION POUNDS OF THRUST, HAS BEEN TAKEN FROM THE ARMY AND PLACED UNDER THE CIVILIAN NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

CR637AES

A60WX

(400) PERSONALITY IN THE NEWS SCHOMBURG

BY C. YATES MCDANIEL

WASHINGTON, OCT. 28 (AP)-MAJ. GEN. AUGUST SCHOMBURG, WHO WILL HEAD THE ARMY'S MISSILE COMMAND, HAS A READY SMILE AND AN EASY MANNER.

THE PROFESSIONAL RESEARCH ENGINEER WAS SELECTED YESTERDAY TO SUCCEED MAJ. GEN. JOHN B. MEDARIS AS HEAD OF THE BIG ORDNANCE MISSILE COMMAND AT HUNTSVILLE, ALA.

MEDARIS HAS ANNOUNCED PLANS TO RETIRE NEXT JAN. 31. THE RETIREMENT ANNOUNCEMENT CAME JUST BEFORE PRESIDENT EISENHOWER DECIDED LAST WEEK TO TRANSFER THE ARMY'S SPACE ROCKET WORK TO THE CIVILIAN SPACE ADMINISTRATION.

SCHOMBURG NOW IS ARMY DEPUTY CHIEF OF ORDNANCE.

THE 51-YEAR-OLD WEST POINTER SAYS THE TRANSFER OF THE MAJOR PORTION OF THE BALLISTIC MISSILE AGENCY, NOW ONE PART OF HIS NEW COMMAND, "WILL HAVE NO INFLUENCE ON MILITARY MISSILES."

HE SAYS THE MISSION OF ORDNANCE MISSILE COMMAND IS UNCHANGED AND THAT IT WILL CONTINUE TO SUPERVISE THE ARMY'S NEW WEAPONS FROM THE TIME THEY ARE JUST IDEAS IN THE MINDS OF SCIENTISTS UNTIL THEY ARE IN THE HANDS OF TROOPS.

THE COMMAND WILL STILL NUMBER SOME 25,000 MILITARY AND CIVILIANS EVEN AFTER THE LOSS OF THE DEVELOPMENT OPERATIONS DIVISION AT HUNTSVILLE. THIS DIVISION IS HEADED BY WERNHER VON BRAUN. THE GERMAN-BORN ROCKET SCIENTIST AND HIS TEAM ARE DEVELOPING THE 1 1/2 MILLION POUND THRUST SATURN SPACE ROCKET AT HUNTSVILLE.

SCHOMBURG STILL CALLS DENVER HIS HOME EVEN THOUGH HE HAS SPENT LITTLE TIME THERE SINCE HE LEFT THE COLORADO SCHOOL OF MINES AFTER ONE YEAR TO ENTER THE MILITARY ACADEMY IN 1927.

AFTER A STINT WITH THE INFANTRY, HE STARTED HIS PROFESSIONAL ENGINEERING CAREER BY ATTENDING THE MASSACHUSETTS INSTITUTE OF TECHNOLOGY, GRADUATING WITH A MASTER OF SCIENCE DEGREE IN MECHANICAL ENGINEERING.

BEFORE WORLD WAR II, SCHOMBURG WAS WELL INTO RESEARCH AND DEVELOPMENT. AFTER THE WAR STARTED HE CONDUCTED RESEARCH AND TESTING OF WEAPONS UNDER WINTER CONDITIONS IN CANADA. HE LATER RETURNED TO CANADA, SERVING THREE YEARS AS ASSISTANT MILITARY ATTACHE IN OTTAWA.

HE HAS SPENT MOST OF HIS TIME SINCE THE WAR IN THE RESEARCH AND DEVELOPMENT END OF WEAPONS ENGINEERING. BEFORE BECOMING DEPUTY CHIEF OF ORDNANCE HE SERVED AS ASSISTANT CHIEF FOR RESEARCH.

SCHOMBURG IS A 6-FOOTER WITH GRAYING HAIR.

HE ONCE PLAYED GUARD ON THE WEST POINT FOOTBALL TEAM. BUT HE SAYS WITH A CHUCKLE THAT HIS PARTICIPATION IN ORGANIZED ATHLETICS BEGAN TO TAPER OFF AFTER HE STARTED RAISING A FAMILY.

HE HAS THREE MARRIED CHILDREN AND FIVE GRANDCHILDREN.

SCHOMBURG SAYS HE GETS HIS RECREATION NOW FROM WORKING ON HIS HOME.

CR646AES

A147

(120)

NEW YORK, OCT. 28 (AP)-RETIRED ADM. ARTHUR W. RADFORD SAID TONIGHT THE COMBINATION OF AMERICA'S POLARIS MISSILE AND THE NUCLEAR SUBMARINE MAY BECOME THE "MOST POWERFUL DETERRENT TO GENERAL WAR YET DEVISED BY MAN."

THE FORMER CHAIRMAN OF THE JOINT CHIEFS OF STAFF DISCUSSED THE POTENTIALS OF THE POLARIS MISSILE, WHICH CAN BE FIRED FROM UNDERWATER CRAFT, IN A SPEECH PREPARED FOR THE NEW YORK COUNCIL OF THE NAVY LEAGUE OF THE UNITED STATES AT THE WALDORF-ASTORIA HOTEL.

THE SUREST DETERRENT TO A WOULD-BE AGGRESSOR IS THE "KNOWLEDGE THAT THERE WILL REMAIN IN EXISTENCE A FORCE CAPABLE OF DESTROYING HIS

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HOMELAND," RADFORD SAID. "SUCH A FORCE WILL BE THE POLARIS SYSTEM. NOTHING AND NO ONE MUST STAND IN THE WAY OF BRINGING THIS FORCE RAPIDLY INTO BEING."

THE POLARIS MISSILE HAS UNDERGONE SUCCESSFUL TESTING AND IS SCHEDULED TO BE ADDED TO THE NAVY'S DEFENSIVE POWER NEXT YEAR.

HB1147PES

B66WX Q

ATOMIC

WASHINGTON, OCT. 28 (AP)-THE UNITED STATES AND GREAT BRITAIN WILL CONTINUE COOPERATION ON USES OF ATOMIC ENERGY FOR JOINT DEFENSE PURPOSES.

THIS WAS ANNOUNCED TODAY BY THE U.S. ATOMIC ENERGY COMMISSION AFTER A TWO-DAY MEETING AT WHICH REPRESENTATIVES OF THE TWO COUNTRIES REVIEWED PROGRESS UNDER AN ATOMIC ENERGY AGREEMENT EFFECTIVE SINCE AUG. 4, 1958.

THE AEC ANNOUNCEMENT SAID "FURTHER MEETINGS AND EXCHANGE OF RELATED MATTERS ARE EXPECTED IN DUE COURSE."

JC1138AES NM

A64WX (310)

MCCONE-RUSSIANS

WASHINGTON, OCT. 28 (AP)-THE RUSSIANS SHOW A REMARKABLE ABILITY TO GET AN ATOMIC ENERGY PROJECT MOVING IN A HURRY, SAYS CHAIRMAN JOHN A. MCCONE OF THE ATOMIC ENERGY COMMISSION.

BUT MCCONE, JUST BACK FROM A RUSSIAN TOUR WITH OTHER U. S. EXPERTS, SAID HE FELT THE U. S. PROGRAM OF PEACEFUL USES OF ATOMIC ENERGY IS "CONSIDERABLY MORE ADVANCED."

MCCONE TOLD A NEWS CONFERENCE YESTERDAY HE WAS SHOWN A THERMONUCLEAR MACHINE AT LENINGRAD WHICH THE RUSSIANS SAID THEY BUILT AND GOT INTO OPERATION IN FOUR MONTHS.

IT WOULD HAVE TAKEN THIS COUNTRY A LOT LONGER, HE SAID, AND BRITISH SCIENTISTS ESTIMATED IT WOULD TAKE THEM TWO YEARS.

HE LISTED SEVERAL OTHER EXAMPLES OF WHAT HE CALLED REMARKABLE SPEED AND SAID THERE WAS NO REASON TO DOUBT THE RUSSIAN CLAIMS.

MCCONE SAID THE UNITED STATES MUST "FIND A WAY TO CUT DOWN OUR LEAD TIME TO A MINIMUM" ON CRITICAL PROJECTS. HE POINTED OUT, HOWEVER,

THE INHERENT LACK OF SPEED IN THE DEMOCEATIC PROCESSES THAT REQUIRED GETTING THINGS APPROVED ON VARIOUS LEVELS OF GOVERNMENT, SUCH AS CONGRESS AND THE BUREAU OF THE BUDGET.

MCCONE LED A PARTY OF SIX AMERICAN ATOMIC SPECIALISTS IN A SIX-DAY TOUR OF RUSSIAN CIVILIAN ATOMIC INSTALLATIONS. A RUSSIAN GROUP WILL MAKE A RETURN VISIT HERE.

"OUR CIVILIAN PROGRAM," HE SAID, "IS CONSIDERABLY MORE ADVANCED THAN THEIR CIVILIAN PROGRAM AT THE PRESENT TIME." BUT ANOTHER MEMBER OF THE PARTY, AEC SCIENTIST MEMBER JOHN H. WILLIAMS, SAID LAST WEEK NEITHER COUNTRY IS MUCH AHEAD OF THE OTHER.

MCCONE SAID U. S. DEVELOPMENTS IN NUCLEAR POWER, CONTROLLED THERMONUCLEAR FUSION AND HIGH ENERGY PHYSICS ARE EXAMPLES OF FIELDS IN WHICH HE SAID THE UNITED STATES IS AHEAD.

MCCONE SAID HE THINKS THE RUSSIAN ATOMIC EXPERTS WILL GET SOME SURPRISES ON THEIR COMING VISIT.

THE DRESDEN, ILL., BOILING WATER REACTOR "IS GOING TO BE AN EYE OPENER," HE SAID. THE PLANT, ALREADY PRODUCING A SMALL AMOUNT OF ELECTRICITY, IS TO BE NEAR ITS FULL POWER OF 180,000 MEGAWATTS BY JANUARY. HE SAID THE TEST REACTORS IN IDAHO ALSO WILL SURPRISE THE RUSSIANS.

WE711AED

B77 (Q)

GENEVA, OCT. 28 (AP)-BRITAIN AGAIN PRESSED THE SOVIET UNION TODAY TO JOIN IN A THREE-NATION SCIENTIFIC REVIEW OF POSSIBLE WAYS TO POLICE UNDERGROUND NUCLEAR BLASTS.

SIR MICHAEL WRIGHT TOLD RUSSIA'S SEMYON TSARAPKIN THAT NEW SCIENTIFIC DEVELOPMENTS MAKE SUCH A REVIEW ABSOLUTELY ESSENTIAL BEFORE ANY EFFECTIVE CONTROL SYSTEM COULD BE DEVISED.

TSARAPKIN IGNORED SIR MICHAEL'S APPEAL AND NO PROGRESS WAS MADE AT THE 70-MINUTE MEETING. HE HAS MAINTAINED THE NEW STUDY HAS BEEN PROPOSED BY BRITAIN AND THE UNITED STATES IN ORDER TO DELAY COMPLETION OF A TREATY TO HALT NUCLEAR TESTS.

THE TREATY TALKS RESUMED YESTERDAY AFTER A TWO-MONTH RECESS.

HL105PES

B58KX

(250)

(250)

(ADVANCE FOR USE AT 10 P.M. EASTERN STANDARD TIME TONIGHT -- RELEASE SET BY SOURCE)

SAN FRANCISCO, OCT. 28 (AP)-THE UNITED STATES MUST CONTINUE TO DEVELOP MILITARY STRENGTH, DEFENSE SECRETARY NEIL H. MCELROY SAID TONIGHT, BUT MUST ALSO WORK TO IMPROVE NON-MILITARY METHODS OF COMPETING WITH COMMUNISM.

IN A SPEECH PREPARED FOR A SALUTE TO PREPAREDNESSS (CAPS S, P) DINNER, MCELROY OUTLINED FOUR NON-MILITARY ACTIVITIES THAT MUST BE INTENSIFIED:

EDUCATION. "WE CANNOT AFFORD THE KIND OF MENTAL WASTAGE OUR SOCIETY HAS ALLOWED IN YEARS PAST. "IT'S ABUNDANTLY CLEAR THAT THE SOVIET COMMITMENT TO EDUCATION IS ENTHUSIASTIC, PASSIONATE AND ABSOLUTE."

ECONOMICS. "WE MUST CONTINUE TO FIND WAYS TO PRODUCE MORE OF ALL NEEDED TYPES OF GOODS AND SERVICES PER WORKER EMPLOYED. TO ACHIEVE THIS WE MUST CONTINUE TO ATTRACT CAPITAL TO INDUSTRY; WE MUST PROVIDE INCENTIVES TO ENCOURAGE INDUSTRIOUS AND INTELLIGENT WORK BY ALL LEVELS OF EMPLOYEES, FROM HOURLY WORKERS TO TOP MANAGEMENT; AND WE MUST KEEP OPEN THE CHANNELS OF PROMOTION SO THAT EACH INDIVIDUAL CAN CONTRIBUTE TO THE MAXIMUM OF HIS ABILITY AND CAPACITY."

LIVING STANDARDS. "THERE MUST BE STEADY IMPROVEMENT IN OUR PEOPLE'S LIVING STANDARDS IN ORDER THAT NEW AND UNDER-DEVELOPED NATIONS MAY OBSERVE OUR SOCIETY AND UNDERSTAND THE ATTRACTIVENESS OF IT FROM THE STANDPOINT OF THE IMMEDIATE REWARDS OF THOSE WHO LIVE UNDER FREEDOM."

ASSISTANCE. "THERE MUST BE A WILLINGNESS ON THE PART OF THE PEOPLE OF THE FREE WORLD TO USE A PART OF ITS PRODUCTIVITY FOR ASSISTANCE TO THE NEW AND UNDER-DEVELOPED NATIONS, PRINCIPALLY IN ASIA AND AFRICA, SO THAT THOSE COUNTRIES MAY BUILD UP THEIR OWN SOCIETIES AND ECONOMIES FOR A BETTER LIFE."

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A132WX

--95--

EISENHOWER-DEFENSE

WASHINGTON, OCT. 28 (AP)-PRESIDENT EISENHOWER SAID TODAY NO SIGNIFICANT REDUCTION IN DEFENSE EXPENDITURES CAN BE MADE IN THE NEW BUDGET.

EISENHOWER TOLD HIS NEWS CONFERENCE HE HAD DISCUSSED ARMS SPENDING WITH SOVIET PREMIER NIKITA KHRUSHCHEV AT THE CAMP DAVID CONFERENCE.

HE THINKS THERE IS NO DOUBT, THE PRESIDENT SAID, THAT KHRUSHCHEV HAS COME TO REALIZE AS WE IN THE UNITED STATES HAVE, THAT IF WE HAVE TO PUT SO MUCH MONEY INTO NON-PRODUCTIVE ARMAMENT WE ARE BARRED FROM RAISING THE STANDARD OF LIVING AT HOME.

EISENHOWER SAID HE WANTED TO MAKE IT CLEAR THAT HE REGARDS SUCH ARMAMENT EXPENDITURES AS ABSOLUTELY NECESSARY NOW. BUT HE NOTED THAT AS FAR BACK AS APRIL 1953 HE HAD TOLD THE AMERICAN SOCIETY OF NEWSPAPER EDITORS OF THE NEED FOR REDUCING MILITARY ARMAMENT IN ORDER TO USE PART OF THE MONEY TO MAKE A BETTER WORLD.

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A25WX

(900) AMS BUDGET

NIGHT LEAD EISENHOWER ROUNDUP

BY DOUGLAS B. CORNELL

WASHINGTON, OCT. 28 (AP)-PRESIDENT EISENHOWER DISCLOSED TODAY THAT ALL MAJOR WESTERN LEADERS, CHARLES DE GAULLE INCLUDED, HAVE AGREED TO HOLD A WESTERN SUMMIT CONFERENCE WITHIN THE NEXT FEW MONTHS.

DE GAULLE EVIDENTLY IS CALLING THE TURN ON TIMING. THE FRENCH PRESIDENT IS ALSO APPARENTLY GOING TO GET HIS WAY ABOUT PUTTING OFF UNTIL SOMETIME NEXT SPRING A SUBSEQUENT EAST-WEST SUMMIT CONFERENCE WITH PREMIER NIKITA S. KHRUSHCHEV OF RUSSIA.

THE WESTERN SESSION MAY TAKE PLACE BEFORE THE END OF THE YEAR, PERHAPS IN PARIS. EISENHOWER SAID THE TIME AND PLACE REMAIN TO BE WORKED OUT.

THERE HAVE BEEN PLENTY OF INDICATIONS THAT A WESTERN CONFERENCE WAS A CERTAINTY. BUT EISENHOWER'S STATEMENT TO A NEWS CONFERENCE THAT DE GAULLE WILL BE READY FOR ONE AROUND MID-DECEMBER WAS THE FIRST DEFINITE WORD THE FRENCH LEADER HAS AGREED TO ATTEND.

THE NEWS CONFERENCE STARTED OFF ON THE MATTER OF THE PROSPECTIVE CONFERENCE AND KEPT COMING BACK TO IT. SO OFTEN THAT EISENHOWER FINALLY REMARKED GOOD-NATUREDLY:

"YOU PEOPLE APPARENTLY WANT TO BE RIGHT IN THE MIDDLE OF THIS FORTHCOMING SUMMIT MEETING. AND I THINK YOU ARE BEING A LITTLE BIT UNREASONABLE."

THE CONFERENCE GOT AROUND TO OTHER TOPICS, TOO, BUT NOT AS MANY AS USUAL.

IN THE PROCESS, EISENHOWER APPLIED A BIT MORE PRESSURE FOR ENDING THE STEEL STRIKE, SAID IT IS PUZZLING WHY CUBA'S FIDEL CASTRO IS SO UNHAPPY WITH THE UNITED STATES, AND ENVISIONED NO SIGNIFICANT REDUCTIONS IN U. S. DEFENSE SPENDING IN THE BUDGET HE WILL SEND TO CONGRESS IN JANUARY.

EISENHOWER SAID A CONTRACT BETWEEN KAISER STEEL CORP. AND THE UNITED STEELWORKERS UNION, ENDING A SMALL SEGMENT OF THE STEEL STRIKE, "SHOULD BE A SIGNAL FOR BOTH LABOR AND MANAGEMENT TO FIND A BASIS IN WHICH WE CAN GET BACK INTO FULL PRODUCTION."

"TO MY MIND," THE PRESIDENT SAID, "THE COUNTRY NOT ONLY NEEDS IT, BUT I THINK THE COUNTRY IS MORE AND MORE DEMANDING IT AND I BELIEVE THAT THESE TWO. . .SIDES SHOULD BE READY TO MAKE THE CONCILIATORY MOVES THAT WILL MAKE IT POSSIBLE."

WITH REFERENCE TO CUBAN PREMIER CASTRO'S VERBAL TIRADES AGAINST THE UNITED STATES, EISENHOWER WAS ASKED: "WHAT DO YOU SUPPOSE, SIR, IS EATING HIM?"

THE CHIEF EXECUTIVE LAUGHED ALONG WITH EVERYBODY ELSE, THEN TURNED SERIOUS. HE DECLINED TO GO INTO CASTRO'S MOTIVES. HE GAVE HIS BACKING TO A STATE DEPARTMENT STATEMENT YESTERDAY CONTENDING THAT RELATIONS BETWEEN THE TWO COUNTRIES ARE BEING HURT BY CASTRO'S CHARGES THAT THE UNITED STATES OPPOSES HIM AND SUPPORTS HIS ENEMIES.

EISENHOWER RECALLED HOW THE UNITED STATES HELPED CUBA WIN INDEPENDENCE FROM SPAIN AND THAT THIS COUNTRY HAS GRANTED TRADE CONCESSIONS TO CUBA. THESE THINGS, HE SAID, "WOULD SEEM TO MAKE IT A

CONCESSIONS TO CUBA. THESE THINGS, HE SAID, "WOULD SEEM TO MAKE IT A PUZZLING MATTER TO FIGURE OUT JUST EXACTLY WHY THE CUBANS WOULD NOW BE, AND THE CUBAN GOVERNMENT, WOULD BE SO UNHAPPY WHEN, AFTER ALL, THEIR PRINCIPAL MARKET IS RIGHT HERE. . .I DON'T KNOW EXACTLY WHAT THE DIFFICULTY IS."

EISENHOWER WAS ASKED ABOUT THE POSSIBILITY OF CUTTING DEFENSE SPENDING IN THE LIGHT OF RUSSIA'S ANNOUNCEMENT YESTERDAY THAT THE NEW SOVIET BUDGET WILL HIT A RECORD HIGH FOR PEACETIME BUT THAT DEFENSE SPENDING WILL BE HELD AT THE IRESENT LEVEL.

THE PRESIDENT REPLIED THAT HE FORESEES NO SIGNIFICANT REDUCTIONS. BUT HE SAID BOTH HE AND KHRUSHCHEV HAD TALKED AT CONSIDERABLE LENGTH, WHILE THE SOVIET PREMIER WAS IN THIS COUNTRY LAST MONTH, ABOUT HOW MUCH MONEY IS GOING INTO UNPRODUCTIVE ARMAMENTS INSTEAD OF THINGS THAT WOULD IMPROVE LIVING STANDARDS.

ANOTHER THING KHRUSHCHEV HAPPENED TO MENTION IN THEIR TALKS AT CAMP DAVID, MD., A MONTH AGO, EISENHOWER SAID, IS THAT RUSSIA IS USING THE CAPITALIST INCENTIVE SYSTEM TO INCREAS PRODUCTION FAR MORE THAN IS THE UNITED STATES, AND USING IT MORE EFFECTIVELY.

DESCRIBING THE PREMIER AS WELL READ ABOUT SOME THINGS THAT GO ON IN THIS COUNTRY, EISENHOWER SAID KHRUSHCHEV SPOKE OF TAX INCENTIVES. HE QUOTED HIS GUEST AS SAYING: "WE GIVE OUR INCENTIVES IN THINGS THE PEOPLE CAN FEEL AND SEE AND USE. WE GIVE A BETTER HOUSE, MORE ROOMS, ANOTHER BATH."

THE NEWS CONFERENCE DIPPED INTO SUCH OTHER SUBJECTS AS:

"BUGGING"--EISENHOWER WAS ASKED IF HE WAS "PRETTY SORE ABOUT REPORTS THAT THE RUSSIANS BUGGED OUR EMBASSY IN MOSCOW" FOR EAVESDROPPING PURPOSES WHEN VICE PRESIDENT RICHARD M. NIXON WAS THERE. A REPORTER ASKED IF HE WOULD CAUTION KHRUSHCHEV AGAINST DOING THAT WHEN THE PRESIDENT VISITS MOSCOW NEXT SPRING.

CHUCKLING, EISENHOWER RECALLED THAT WHEN HE WAS IN RUSSIA IN 1945 HE WAS TOLD THAT ANY REALLY PRIVATE CONVERSATION OUGHT TO BE HELD OUT IN THE YARD SOMEPLACE. HE ADDED SERIOUSLY: "I THINK I CAN BE DISCREET ENOUGH."

TRADE--EISENHOWER TOLD A QUESTIONER HE SEES NO REAL INCONSISTENCY IN HIS SUPPORT OF MORE FREEDOM IN INTERNATIONAL TRADE AND AN ADMINISTRATION PROPOSAL TO REQUIRE PURCHASE OF SOME U. S. GOODS WITH MONEY PUT INTO FOREIGN HANDS BY THE DEVELOPMENT LOAN FUND.

THIS COUNTRY, HE SAID, IS SIMPLY EXAMINING ITS CREDITS TO THE WORLD "TO SEE WHETHER OR NOT THAT WE SHOULND'T HAVE SOME ARRANGEMENTS WHEREBY OUR OWN TRADE, OUR OWN EXPORTS ARE INCREASED." THE PRESIDENT SAID THE UNITED STATES WAS VERY FREE WITH FINANCIAL HELP WHEN THE ECONOMIES OF EUROPE WERE IN BAD SHAPE BUT NOW SOME OTHER NATIONS ARE GETTING PROSPEROUS ENOUGH TO EXTEND AID TO UNDERDEVELOPED COUNTRIES THEMSELVES.

AS FOR A WESTERN SUMMIT CONFERENCE, EISENHOWER SAID PREPARATIONS HAVE REACHED THE POINT WHERE DIPLOMATIC OFFICIALS OF THE UNITED STATES, BRITAIN, FRANCE AND WEST GERMANY CAN START WORKING ON POLICIES AND AGREEMENTS "THAT WILL TEND TO SOLIDIFY THE WESTERN POSITION."

IT "WOULD BE VERY BAD, INDEED," THE PRESIDENT SAID, TO GO INTO A SUMMIT MEETING WITH THE RUSSIANS WITHOUT THE WEST "IN A GOOD, STRONG, COORDINATED POSITION."

THIS MAY BE A FACTOR IN THE WILLINGNESS TO BOW TO DE GAULLE ON TIMING.

EISENHOWER SAID "I HAVE BEEN HOLDING MYSELF AVAILABLE TO GO AT ANY TIME, AT ANY PLACE MOST CONVENIENT TO THE WESTERN PEOPLE."

DE GAULLE, HE SAID, "HAS EXPLAINED SOME OF HIS DIFFICULTIES IN SCHEDULING AND SO ON, BUT HE IS READY, HE WILL BE READY SOMETIME AROUND MID-DECEMBER TO HAVE A WESTERN CONFERENCE."

"FOR MYSELF," THE PRESIDENT SAID, "I HAVEN'T CONCEALED MY BELIEF THAT WE SHOULD HAVE THE WESTERN CONFERENCE POSSIBLY SOMEWHAT EARLIER."

LT416PES NM BGTS

1959

30.24- 9089

A49WX

(370) EISENHOWER-FOREIGN AID

BY JERRY T. BAULCH

WASHINGTON, OCT. 28 (AP)-PRESIDENT EISENHOWER SAID TODAY THE NEW "BUY AMERICAN" POLICY FOR SOME U. S. OVERSEAS AID IS TIED TO A BELIEF THAT EUROPEAN NATIONS CAN DO MORE TO HELP UNDERDEVELOPED NATIONS.

THERE HAS BEEN "A GREAT RENAISSANCE" IN THE PROSPERITY OF EUROPEAN EISENHOWER SAID, ADDING:

"THEY ARE GETTING IN POSITION, AS WE SEE IT, TO HELP IN THIS BUSINESS OF HELPING UNDERDEVELOPED COUNTRIES THAT WE HAVE BEEN CARRYING SO MUCH BY OURSELVES."

POINTING OUT THAT THE UNITED STATES HAS ASKED ITS WESTERN ALLIES TO CONSIDER TAKING OVER MORE OF THE FINANCIAL BURDEN, EISENHOWER SAID:

"IT SHOWS OUR CONCERN, THAT WE ARE NOT TO BE LOOKED ON JUST AS AN ATLAS TRYING TO CARRY THE WHOLE WORLD, THAT THIS IS A JOB FOR ALL OF US."

AT THE SAME TIME, EISENHOWER SAID, "WE CAN ALSO TAKE A LOOK AT OUR WHOLE SYSTEM OF EXTENDING CREDIT TO SEE WHETHER WE CAN'T, WITHOUT DAMAGING ANYBODY ELSE, TO REQUIRE THAT CERTAIN OF THESE AMOUNTS BE USED TO BUY OUR PRODUCTS."

BUT THE PRESIDENT SAID HE HAS SET NO FIRM POLICY THAT FOREIGN COUNTRIES MUST SPEND IN THE UNITED STATES MONEY THEY ARE LOANED TO DEVELOP THEIR ECONOMIES.

AN EXTENSIVE SURVEY, HE SAID, IS BEING MADE TO SEE WHETHER U. S. LENDING ABROAD MAY BE COUPLED WITH AGREEMENTS THAT WOULD HELP AMERICAN EXPORTS.

BUT IN TRYING TO SET UP "SOME ARRANGEMENTS WHEREBY OUR OWN TRADE, OUR OWN EXPORTS ARE INCREASED," EISENHOWER ADDED, THIS COUNTRY IS MAKING SURE "WE ARE DOING SOMETHING THAT IS REASONABLE AND PROPER."

SO FAR AS HE KNEW, EISENHOWER SAID, "THERE HAS BEEN NO SUGGESTION YET THAT A POLICY BE MADE THAT WE WILL NOT MAKE A LOAN UNLESS X AMOUNT OF IT OR ALL OF IT IS USED IN PURCHASES IN OUR COUNTRY." EACH CASE IS HANDLED SEPARATELY, HE SAID.

THE QUESTION, EISENHOWER SAID, SHOULD BE LOOKED AT FROM THIS VIEW:

"LET'S SAY INCREASING THE GOLD RESERVES OF SOMEBODY ELSE WHILE WE HAVE TO MAKE GOOD THE RESULTING BALANCE OF DEFICIT IN OUR OWN RECEIPTS FROM ABROAD, AND WE WANT TO TAKE A LOOK AT IT."

THE PRESIDENT MADE HIS REMARKS SHORTLY AFTER SEN. J. WILLIAM FULBRIGHT (D-ARK) EXPRESSED CONCERN WITH THE "BUY AMERICAN" POLICY THAT SOME AID LOANS HEREAFTER MUST NORMALLY BE USED TO PURCHASES GOODS IN THE UNITED STATES.

FULBRIGHT, CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, WROTE VANCE BRANDE, MANAGING DIRECTOR OF THE DEVELOPMENT LOAN FUND, THAT SUCH A POLICY CHANGE SHOULD BE MADE ONLY UNDER DIRE CIRCUMSTANCES.

THE CHANGE, HE SAID, MAY HAVE SEVERAL UNFORTUNATE EFFECTS.

ONE OF THESE, FULBRIGHT SAID, MIGHT BE "THE CURTAILING OF WORLD TRADE BY PROMOTING BILATERAL TRADE WHEN MULTILATERAL TRADE SHOULD BE ENCOURAGED."

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THE "BUY AMERICAN" POLICY WAS CRITICIZED ALSO AS UNWISE BY A YALE UNIVERSITY ECONOMICS PROFESSOR, ROBERT TRIFIN.

TESTIFYING BEFORE A SENATE-HOUSE ECONOMIC SUBCOMMITTEE, TRIFFIN SAID THE PRACTICAL RESULTS ARE LIKELY TO PROVE DISAPPOINTING AND HE HOPES SOMETHING WILL BE DONE TO REVERSE THE POLICY.

TIFFIN URGED THAT THE UNITED STATES DO EVERYTHING POSSIBLE TO ENCOURAGE EUROPEAN COUNTRIES TO ASSUME A LARGER SHARE OF DEVELOPMENT FINANCING, AND TO ALLOW THE RECEPIENTS TO SPEND THE MONEY IN THE UNITED STATES AS WELL AS IN EUROPE.

THE "BUY AMERICAN POLICY" WAS INSTITUTED CHIEFLY BECAUSE THIS COUNTRY IS FACING A STEADILY INCEASING BALANCE OF PAYMENTS DEFICIT WITH FOREIGN NATIONS. THIS IS ESTIMATED TO REACH FOUR BILLION DOLLARS THIS YEAR.

TIFFIN OFFERED AS HIS OWN SOLUTION WHAT HE CALLED THE INTERNATIONALIZATION OF THE FOREIGN EXCHANGE PART OF THE WORLD'S MONETARY RESERVES. UNDER THIS NO NATIONAL CURRENCY--SUCH AS THE DOLLAR--WOULD BE USED AS THE KEY MEDIUM OF INTERNATIONAL TRADE.

UNDER HIS PROPOSAL, THE UNITED STATES AND BRITAIN WOULD BAR THE USE OF DOLLARS AND STERLING AS MONETARY RESERVES BY OTHER COUNTRIES.

ALL COUNTRIES WOULD DEPOSIT WITH THE INTERNATIONAL MONETARY FUND NATIONAL CURRENCIES NOW HELD AS RESERVES BY CENTRAL BANKS OF THE FUND'S MEMBER COUNTRIES, PLUS ANY AMOUNT OF GOLD THEY MIGHT WISH TO EXCHANGE FOR SUCH DEPOSITS.

TRIFFIN SAID A MINIMUM DEPOSIT RATIO MIGHT BE 20 PER CENT OF A NATION'S RESERVES.

THE FUND THEN WOULD HAVE POWER TO MAKE LOANS OUT OF THESE DEPOSITS TO CENTRAL BANKS, PERFORMING SOMEWHAT THE SAME FUNCTION FOR THE WORLD BANK SYSTEM THAT THE FEDERAL RESERVE DOES FOR NATIONAL BANKS IN THIS COUNTRY.

THE ECONOMIST CONCEDED IN REPLY TO A QUESTION FROM SEN. PAUL H. DOUGLAS (D-ILL) THAT THIS MEANT CREATION OF AN INTERNATIONAL BANK. BUT HE SAID THIS DIDN'T FRIGHTEN HIM. DOUGLAS COMMENTED HE FELT THE SAME WAY.

THE CONGRESSIONAL COMMITTEE, HEADED BY DOUGLAS, IS MAKING A YEAR-LONG INVESTIGATION OF POLICIES TO PROMOTE PRICE STABILITY, ECONOMIC GROWTH AND MAXIMUM EMPLOYMENT.

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B6WX Q

(120) IKE-PRISONERS

WASHINGTON, OCT. 28 (AP)-PRESIDENT EISENHOWER SAID TODAY HE HAS RECEIVED NO NEW WORD ON WHETHER RED CHINA INTENDS TO FREE THE FIVE AMERICANS IT NOW HOLDS IN JAIL.

THIS ANSWER AT A NEWS CONFERENCE SEEMED TO INDICATE THAT SOVIET PREMIER KHRUSHCHEV HAS NOT PERSUADED THE REDS TO RELEASE THE PRISONERS.

KHRUSHCHEV PROMISED EISENHOWER AT THEIR CAMP DAVID CONFERENCE LAST MONTH THAT HE WOULD DISCUSS THIS PROBLEM WITH PEIPING LEADERS. KHRUSHCHEV IS UNDERSTOOD TO HAVE FOLLOWED THROUGH ON THIS PROMISE BUT THE CHINESE RED REGIME APPARENTLY REFUSED TO TURN THE MEN LOOSE.

THE IMPRISONED AMERICANS ARE ROBERT EZRA MCCANN, PASADENA, CALIF.; JOHN THOMAS DOWNEY, NEW BRITAIN, CONN.; RICHARD GEORGE FECTEAU, LYNN, MASS.; HUGH FRANCIS REDMOND JR., YONKERS, N.Y., AND ROMAN CATHOLIC BISHOP JAMES EDWARD WALSH, CUMBERLAND, MD.

JA225PED NM

(150) CB15BAD

BALTIMORE, OCT. 28 (AP)-GEN. ALBERT C. WEDEMEYER (RET) HAS CRITICIZED PRESIDENT EISENHOWER FOR INVITING SOVIET PREMIER KHRUSHCHEV TO THE UNITED STATES AND HAS URGED EISENHOWER NOT TO GO TO RUSSIA.

IN A SPEECH HERE LAST NIGHT, WEDEMEYER SAID THE U.S. WAS "BLACKMAILED INTO THAT INVITATION," TO KHRUSHCHEV. HE SAID THE RUSSIANS WANTED THE INVITATION FOR THREE BASIC REASONS:

1. FOR THE "CLOAK OF RESPECTABILITY" IT OFFERED.
2. TO ATTEMPT TO GET "AN ECONOMIC AGREEMENT WITH US," BECAUSE THE SOVIET UNION IS LAGGING IN PRODUCTION OF CONSUMER GOODS.
3. TO ATTEMPT TO OBTAIN PERMANENT RECOGNITION OF EAST GERMANY AND OTHER SATELLITES.

"I AM CONFIDENT THERE IS NOT GOING TO BE AN ATTACK BY THE RUSSIANS AGAINST THIS COUNTRY," THE GENERAL SAID. "IT IS ON THE PSYCHOLOGICAL FRONT, RATHER THAN MILITARILY THAT THEY (COMMUNISTS) POSE THE GREATEST DANGER."

WEDEMEYER, WHO COMMANDED U.S. TROOPS IN CHINA DURING WORLD WAR II, SPOKE AT A MEETING OF THE MINUTE WOMEN OF BALTIMORE.

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END — OCT 28, 1959